



To the Honorable Council  
City of Norfolk, Virginia

June 24, 2014

From: Michael Thornton, Norfolk Public Schools

**Subject:** Virginia Retirement System  
Rate Resolution for Norfolk Public  
Schools

Reviewed:

Sabrina Joy-Hogg, Assistant City Manager

**Ward/Superward:** Citywide

Approved:

Marcus D. Jones, City Manager

**Item Number:**

**R-7**

- I. **Recommendation:** Adopt Resolution
- II. **Applicant:** City of Norfolk-Norfolk Public Schools
- III. **Description**  
This agenda item is a resolution certifying to the Virginia Retirement System (VRS) that Norfolk Public Schools has elected to pay the Employer Contribution Certified Rate of 11.12 percent on behalf of Norfolk Public Schools employees who are members of VRS (classified as 55512 per VRS).  
**The Adopted FY 2015 budget assumes the VRS rate at 11.12 percent.**
- IV. **Analysis**  
The state is requiring localities to pass a resolution concurring with the action of the Norfolk School Board in selecting the VRS Board-certified rate on behalf of Norfolk Public Schools VRS eligible employees.
- V. **Financial Impact**  
The Adopted FY 2015 budget assumes the VRS rate at 11.12 percent. It is not financially advantageous for Norfolk Public Schools to elect the alternate lower rate. Selecting the alternate lower increases Norfolk Public School's liability in future years, since the deferred contribution amount is required to be made up.
- VI. **Environmental**  
N/A

**VII. Community Outreach/Notification**


Public notification for this item was conducted through the City of Norfolk's agenda notification process.

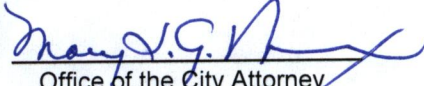
**VIII. Board/Commission Action**

None

**IX. Coordination/Outreach**

This letter has been coordinated with the City Manager's Office, Office of Budget & Grants Management and the City Attorney's Office.

Form and Correctness Approved: 

By   
Office of the City Attorney

Contents Approved:

By   
DEPT. Norfolk Public Schools

NORFOLK, VIRGINIA

## Resolution

A RESOLUTION ACKNOWLEDGING AND CONCURRING WITH THE MAY 21, 2014 RESOLUTION OF NORFOLK PUBLIC SCHOOLS 55512 ELECTING THE EMPLOYER CERTIFIED CONTRIBUTION RATE OF 11.12% ON BEHALF OF EMPLOYEES WHO ARE MEMBERS OF THE VIRGINIA RETIREMENT SYSTEM EFFECTIVE JULY 1, 2014.

- - -

BE IT RESOLVED by the Council of the City of Norfolk:

Section 1:- That the City of Norfolk 55512 (Norfolk Public Schools) does hereby acknowledge that the Norfolk Public Schools has made the election for its contribution rate to be based on the employer contribution rates certified by the Virginia Retirement System Board of Trustees pursuant to Virginia Code §51.1-145(I) resulting from the June 30, 2013 actuarial value of assets and liabilities (the "Certified Rate") as shown on the attached Resolution dated May 21, 2014.

Section 2:- That the City of Norfolk 55512 (Norfolk Public Schools) does hereby certify to the Virginia Retirement System Board of Trustees that it concurs with the election of Norfolk Public Schools to pay the Certified Rate of 11.12% rather than the Alternate Rate of 8.90%, as required by Item 467(I) of the 2014 Appropriation Act.

Section 3:- That this Resolution shall be in effect from and after its adoption.

Employer Contribution Rates for Counties, Cities,  
Towns, School Divisions and Other Political Subdivisions  
(In accordance with the 2014 Appropriation Act Item 467(I))

---

**Resolution**

BE IT RESOLVED, that the Norfolk Public Schools 55512 does hereby acknowledge that its contribution rates effective July 1, 2014 shall be based on the higher of a) the contribution rate in effect for FY 2012, or b) eighty percent of the results of the June 30, 2013 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2014-16 biennium (the "Alternate Rate") provided that, at its option, the contribution rate may be based on the employer contribution rates certified by the Virginia Retirement System Board of Trustees pursuant to Virginia Code § 51.1-145(I) resulting from the June 30, 2013 actuarial value of assets and liabilities (the "Certified Rate"); and

BE IT ALSO RESOLVED, that the Norfolk Public Schools 55512 does hereby certify to the Virginia Retirement System Board of Trustees that it elects to pay the following contribution rate effective July 1, 2014:

(Check only one box)

☒ The Certified Rate of 11.12%

☐ The Alternate Rate of \_\_\_\_%; and

BE IT ALSO RESOLVED, that the Norfolk Public Schools 55512 does hereby certify to the Virginia Retirement System Board of Trustees that it has reviewed and understands the information provided by the Virginia Retirement System outlining the potential future fiscal implications of any election made under the provisions of this resolution; and

NOW, THEREFORE, the officers of the Norfolk Public Schools 55512 are hereby authorized and directed in the name of the Norfolk Public Schools to carry out the provisions of this resolution, and said officers of the Norfolk Public Schools are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by the Norfolk Public Schools for this purpose.

  
\_\_\_\_\_  
School Division Chairman

**CERTIFICATE**

I, Junelle L. Banks, Clerk of the Norfolk Public Schools, certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the Norfolk Public Schools held at Norfolk, Virginia at 7:00 o'clock on May 21, 2014. Given under my hand and seal of the Norfolk Public Schools this 21st day of May, 2014.

  
\_\_\_\_\_  
Clerk

**This resolution must be passed prior to July 1, 2014 and  
received by VRS no later than July 10, 2014.**